

The Vision and Mission of the Center for Cost and Financing Studies

FUNCTIONAL STATEMENT

The Center for Cost and Financing Studies (CCFS) conducts and supports studies on the access, use, and expenditures by individuals and families for health care services; the sources of payment for that care; the availability, coverage, and cost of health insurance; and the health status and satisfaction of U.S. families and their members. CCFS activities include survey administration, development of large primary data sets, evaluation, dissemination, basic behavioral research, applied health care policy analysis, and support of a portfolio of investigator initiated extramural research. The Center coordinates and works with other Agency Centers and supports the Agency's crosscutting initiatives and workgroups.

VISION

To be recognized as the nation's primary source of information for addressing key issues related to health status and to access, use, cost, coverage, and financing of health care services.

MISSION

To develop and disseminate critical information concerning health status and the access, use, cost, coverage, and financing of health care services by creating an environment that builds and maintains multi-disciplinary staff expertise and data resources.

The Center for Cost and Financing Studies was established in 1993 to support the Agency for Health Care Policy and Research's mission as stated in its enabling legislation:

“The purpose of the Agency is to enhance the quality, appropriateness and effectiveness of health care services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical practice and in the organization, financing and delivery of health care services.”

The Center supports the Agency's mission by conducting the Medical Expenditure Panel Survey (MEPS), a continuous large national survey of health care use, expenditures, and insurance and by administering other large data systems (HCFA claims data and others). The Center conducts research on these data and funds extramural research using these data resources. The Center disseminates its products: research reports, microdata files, statistical summaries and other publications to a wide audience of customers through multiple media. The Center participates in Agency efforts to translate evidence into practice and is committed to promoting the field of

health services research by developing its own staff, funding extramural research, and by providing resource materials for the larger research community.

In supporting the Agency's goals (listed below), the Center focuses its efforts on a number of topical areas. The Center supports and contributes to Agency efforts related to Goals 1 and 2, but the primary focus of Center efforts is on Agency Goal 3.

AHCPR Goal 1: Support Improvements in Health Outcomes

CCFS supports this goal with its studies of *health status and health behaviors*, and its work on the *cost of clinical services*. CCFS contributes data and research towards this goal with studies on the relationship between health status and the types of organizations providing health services, factors affecting preventive health practices, and the relationships between health perceptions/attitudes and preferences for treatment and insurance.

AHCPR Goal 2: Strengthen Quality Improvement and Measurement

CCFS supports this goal by conducting on a wide variety of *statistical and methodological research* and supporting extramural research on *health status and health behaviors* and *cost of clinical services*. This research forms the basis for evaluating the feasibility and success of quality improvement measurement strategies. Studies conducted on *cost, financing, and access* provide knowledge about use and cost differentials associated with various insurance/payment arrangements. Finally, the Center participates in Agency efforts to develop quality of care measures.

AHCPR Goal 3: Identify Strategies to Improve Access, Foster Appropriate Use and Reduce Unnecessary Expenditures

CCFS' *access to care* research portfolio builds the knowledge base in this area by examining access to and use of services by vulnerable populations and how use of services varies across relevant population groups. *Cost and financing research* examines the distribution of expenses and payments for medical care across these population groups. Because much medical care in the United States is financed through employer-provided insurance, CCFS also examines how the interrelationships among *health insurance, employment, and health* affect access to medical care.

CCFS promotes the field of health services research by a highly qualified staff, productive research program, extramural research, and administrative and support staff. CCFS fosters internal and external professional collaborations, and supports research training programs to help develop a diverse cadre of talented individuals in health services research. Finally, CCFS follows the Agency cycle of research through needs assessments, knowledge creation, translation and dissemination, and evaluation.

To improve understanding of the financing and provision of health care in the U.S., CCFS

provides data, intramural and extramural research, and technical assistance in the following policy-relevant areas:

- **Access to and Use of Health Care Services:** Includes topics such as access to care for vulnerable populations, including children, women, minorities, the working poor, and persons with disabilities and chronic health conditions; how use of health care varies across the population and relevant subgroups, including what factors determine the use of services and what services are used; and satisfaction with provider and quality of care, including incentives for quality care and which aspects of the system have the greatest impacts on quality.
- **Cost and Financing of Health Care Services:** Includes topics such as measuring aggregate family and individual spending on health care services, how such expenditures are distributed across the population and relevant subgroups, the determinants of total and out of pocket spending on health care services, and the sources of payment.
- **Health Status and Health Behaviors:** Includes topics such as general health status issues; access to care and health status; HIV; disability, chronic conditions and mental health; the effects of family structure and education on health; factors affecting preventive behaviors; health perceptions and attitudes; treatment choice; and measuring value and cost of health.
- **Cost of Clinical Services:** Includes topics such as cost-effectiveness analysis (CEA), the cost of clinical services, the study of patterns of diagnosis, treatment, and outcomes of clinical conditions to further CEA research, and epidemiology studies of illness.
- **Health Insurance:** Includes topics such as access to public and private health insurance; health insurance coverage of vulnerable populations; the market for employment-related health insurance; health insurance and employment decisions; interventions in the health care market; satisfaction with health plan; methodological issues in health insurance research; and theoretical foundations of health insurance.
- **Employment and Health-related Issues:** Includes measurement and analysis of enrollment, coverage, and financial data associated with employment related and individually purchased private health insurance. Also includes research on the role of disability and health status in employment and work behavior decisions, including the factors affecting individuals choice to work and ability to choose particular jobs or schedules, and understanding policies designed to encourage labor supply.
- **Microsimulation Modeling:** Includes topics such as changes in health expenditures over time by service category and source of payment, simulating the impact of health care policy reforms on individuals and families, simulating changes in tax burdens, and estimating the extent of underinsurance in the insured population.

- **Statistical and Methodological Topics:** Includes research in statistical and methodological topics related to health services research, including econometric and estimation issues; survey design; assessing options for state-level surveys; family level analyses; and cross-cutting methodological research.

Research Planning and Review

Specific steps and guidelines are used by CCFS to plan annual research activities and review research products. The research planning and review process is designed to ensure that research activities in CCFS reflect current health services research and policy issues, are of acceptable technical merit, use data appropriately, and are consistent with and achieve a balance between Agency and Center priorities. The review process also examines the allocation of staff and budget across various research products.

CCFS research planning involves full participation by the CCFS research staff. The planning process begins by recruiting staff with particular subject expertise and is well integrated with the instrument design and sample composition of the Medical Expenditure Panel Survey (MEPS). In this regard, analytical expertise of staff plays a critical role in the survey design and ensures that the sample composition of the MEPS can accommodate specific analyses.

CCFS data and research must be developed with the needs of other Centers and crosscut groups in mind. This requires active outreach to determine the needs of those groups and to monitor successes in meeting their requirements. CCFS also must be mindful of the broader needs of the Department, its extramural grantees, and analysts elsewhere when planning and disseminating its outputs. This coordination includes an evaluation of the potential impact of CCFS data and research on other organizations within the Department and within the extramural research community. When areas of potential sensitivity are determined, it is incumbent on CCFS to alert and work with those organizations to minimize conflict.

The following outline describes the research project planning process implemented within CCFS:

1. At the end of each calendar year, CCFS staff under the direction of the Director, Social and Economic Research Division, begin the planning process for the subsequent year. Research cluster groups are convened to identify generic research areas (e.g., access to health care by vulnerable populations) and specific research questions. The research cluster meetings are open to all interested CCFS staff. The development of research questions is based on staff assessment of key research issues, availability of relevant data from MEPS and other datasets, the range of staff expertise, AHCPR research priorities, and the goals of the CCFS strategic plan. This process culminates in the annual CCFS *Research Planning Document*.
2. CCFS staff, in consultation with supervisors, propose research activities and data products as part

of their annual workplan development. As noted, a proposed research project reflects both Center and Agency research priorities, as developed through the planning clusters, and the specific interests and expertise of each staff member. At the workplan development stage, and at mid-year review, Division Leaders review the progress of ongoing research projects and determine, given other staff responsibilities, what new projects can be undertaken during the year and the priorities to be given to new research projects.

3. In formulating a research agenda, staff may conduct preliminary data investigations to determine the viability of a proposed project.

4. When a researcher is ready to spend time undertaking a proposed project, the researcher completes a research project proposal. A standard proposal form is posted on the network and profiles the nature of the project, its relevance in a research/policy context, analytical approach, methodology, the data to be used, and a proposed project schedule. Proposals are completed for all tasks, regardless of whether data processing support is required. The proposal is reviewed by Division Leaders and other staff to assess its feasibility from a both a technical and data perspective, its consistency with and balance between Center and Agency priorities, and its time and dollar costs. This review is to ensure that the proposed project is consistent with the *Research Planning Document* and is technically viable. Approved projects are added to the *CCFS Research Portfolio*.

5. New and ongoing research projects and data products are included in the *CCFS Research Tracking Portfolio*, a database that reports the current status of each project, the date the project was initiated, expected staff time and budgetary support, and the generic research area.

6. Ongoing research projects are subject to several levels of review. Progress reviews are conducted by supervisors to assess adherence to original schedules and provide technical recommendations. Research-in-progress as well as nearly completed research projects are presented at CCFS-sponsored seminars to receive staff feedback on technical approach, estimation problems, and use of data. All completed manuscripts are also subject to a formal CCFS manuscript review process to assess the use of data, methodology, conclusions, and policy sensitivity. Internal manuscript reviews are conducted by two team leaders, staff with subject expertise, and final sign-off by Director, CCFS.

If necessary, review may also be requested of substantive experts outside of CCFS. Comments obtained during the review process are addressed by the authors in consultation with the Team Leaders and frequently lead to revisions. A recommendation regarding formal submission of the manuscript to a peer-reviewed journal, book, or conference volume is then submitted to the Director, CCFS for formal approval. Policy-sensitive research findings are communicated to the Office of the Administrator.

CCFS GOALS

The CCFS goals are presented in process order starting with staff development, production of data and information, research support, and ending with customer service. These functions

operate on a continuum with feedback between each function provided by needs assessment, planning, and evaluation of product quality and impact. Each function - data, research, and service- has an associated set of production processes leading to a complement of products for CCFS customers.

GOAL I: STAFF DEVELOPMENT/COMMUNICATION

Develop and sustain a high quality staff/team in a collegial environment.

OBJECTIVE A: **Attract and maintain a high quality multi-disciplinary staff with the expertise to successfully carry out the main objectives of the CCFS Vision Statement**

Strategy 1: Recruit staff with interests relevant to the CCFS mission and advertise all positions as widely as possible.

Strategy 2: Continue sponsoring the visiting scholar program for CCFS, which brings in new scholars for a limited number of years to work collaboratively with Center staff.

Strategy 3: Encourage staff to stay abreast of current information related to their positions and promote opportunities for human capital development by attending outside conferences and training courses.

Strategy 4: Promote publication by CCFS staff.

Strategy 5: Maintain up-to-date software and ADP support.

Critical Success Factor 1: Maintain an aggressive recruitment process intended to assure the highest quality staff.

Critical Success Factor 2-5: Hold a seminar series for staff to present work-in-progress and benefit from constructive feedback from others.

Critical Success Factor 2-5: Sponsor periodic lunch time discussion groups, along with other Centers, on such things as: interdisciplinary research topics, the latest data dissemination techniques, data collection methods, administrative changes, recent journal publications, and other topics deemed appropriate.

Critical Success Factor 3-4: Organize special training sessions targeted to CCFS staff skills on such things as new software and new methodological techniques, as needed.

Critical Success Factor 2-5: Encourage participation in workgroups with other agencies to maintain cutting edge knowledge in all areas relative to the CCFS Mission; encourage staff to attend relevant seminars and other similar local hearings and meetings.

Critical Success Factor 2-4: Maintain annual travel planning process to encourage fair distribution of limited travel funds.

OBJECTIVE B: **Ensure timely communication between management and staff to facilitate research, survey administration, and other activities.**

Strategy 1: Commitment by management to a free and open exchange of ideas concerning survey design, data acquisition, and research program goals.

Strategy 2: Inclusive, staff-directed, annual research planning process with high quality peer review and project management systems.

Strategy 3: Encourage and facilitate intra-agency communication and participation in agency crosscut workgroups.

Strategy 4: Promote a collegial, respectful, and intellectually-stimulating environment that encourages creative and high quality work in support of the CCFS mission and goals, fosters both internal and external collaboration, and places a high value on the contributions of each and every team member.

Strategy 5: Maintain CCFS Center Council.

Critical Success Factor 1-5: Hold quarterly center-wide staff meetings, monthly division meetings, and monthly Center Council meetings.

Critical Success Factor 1-5: Produce and disseminate to all CCFS staff quarterly progress reports from all four divisions and monthly MEPS activity reports.

GOAL II: DATA DEVELOPMENT

Develop reliable, valid and comprehensive health care databases on the use, cost effectiveness, financing, and provision of health care services by designing and conducting efficient state-of-the-art surveys and extending the use of secondary data sources.

OBJECTIVE A: Design, conduct, and acquire surveys to obtain essential data

Strategy 1: Design, test, field, and administer the Medical Expenditure Panel Survey (MEPS) - a survey of household use and costs for medical services, employers and other sources of insurance coverage, medical providers, and insurance policy booklets; and of nursing home use and expenditures.

Strategy 2: Develop and maintain shared MEPS data files to ensure consistency and version control for data used in research and to reduce duplicative editing and imputation efforts.

Strategy 3: Acquire, maintain, and evaluate secondary databases and other survey data to ensure the data resources needed for intramural and extramural research to address the research portfolio, particularly the HCFA Medicare and Medicaid data files and private data vendors that are used in the cost and trends studies.

Critical Success Factor 1: Ensure that survey designs are periodically updated in order to achieve current analytic objectives.

Critical Success Factor 2-3: Maintain a process for creating and updating shared analytic files containing final edited versions of common variables from both the MEPS household and nursing home components.

OBJECTIVE B: Ensure the reliability and validity of survey estimates obtained from health care databases

Strategy 1: Assess the quality of data produced by CCFS and determine appropriate design modifications that improve data quality, timeliness, and cost efficiency of the data collection process.

Strategy 2: Promote analytic oversight of public use file editing and imputation activities to increase their value to users.

Strategy 3: Conduct and support statistical and methodological research on sampling, estimation, measurement error, imputation, and techniques for enhancing data quality and improve survey design.

Critical Success Factor 1-3: Produce clear and complete documentation of all survey activities, including sample design, weighting, questionnaire design, response rates, data editing, and estimation methods.

Critical Success Factor 1-3: To continually review and refine the survey process in order to improve the quality of information, improve cost efficiencies, reduce respondent burden and improve timeliness of the data collection.

OBJECTIVE C: Develop comprehensive health care databases to inform analyses of the use, cost effectiveness, financing, and provision of health care services.

Strategy 1: Transform the information collected on health care use, expenditure, insurance coverage, and source of payment acquired through the MEPS component surveys of households, medical providers, employers, insurers and nursing homes into analytical databases that reflect data editing, imputation and adjustments for survey nonresponse.

Strategy 2: Assure that databases and analytic efforts consider and support research efforts in other Centers and the crosscut workgroups.

Critical Success Factor 1-2: Attract and maintain a database development staff with expertise in the areas of survey design, data collection, data analysis, and database development.

Critical Success Factor 1-2: Produce and release public use data files in a timely manner, that are responsive to the needs of the larger research community.

GOAL III. HEALTH SERVICES RESEARCH

Conduct and support high-quality intramural and extramural research that advances understanding of the nation's health care system.

OBJECTIVE A: **To develop a portfolio of research that represents the Center's priority areas and is responsive to Agency and Departmental needs.**

Strategy 1: Hold a series of staff-directed research planning meetings annually to identify relevant research topics and ensure a diversified research portfolio conforming to the Center and Agency Mission and Vision statements.

Strategy 2: Develop a formal CCFS research plan and present to the Agency as part of a research program review process. Coordinate the plan with ASPE and other relevant parts of the Department and present at an Office and Center Directors' (OCD) Meeting prior to the beginning of each year. Incorporate in the plan the needs of other Centers and the Crosscut Workgroups.

Critical Success Factor 1-2: Produce an annual research planning document for distribution to all CCFS staff and other interested parties.

Critical Success Factor 1-2: Maintain an updated list of ongoing research projects for distribution to CCFS staff and other interested parties.

OBJECTIVE B: **To conduct and support projects and programs consistent with the CCFS research portfolio.**

Strategy 1: Conduct and support behavioral analyses within the framework of economics, sociology, demography, public policy analysis, public health, and related disciplines to support the development and analyze the impact of health care policies and systems.

Strategy 2: Conduct statistical and methodological research related to health services research, as well as general estimation and econometric techniques.

Strategy 3: Provide projections of health care use and expenditures and analyses of the effects of health-related policies under current law and reform proposals through micro-simulation modeling.

Strategy 4: Conduct and support studies on the cost-effectiveness of medical treatments.

Strategy 5: Develop a profile of prevalent clinical conditions and procedures.

Strategy 6: Maintain a peer review system to ensure the quality of all research and products.

Critical Success Factor 1-6: Produce a series of standard research findings and highlights publications in a timely manner to keep the public informed.

Critical Success Factor 1-5: Produce research papers for publication in scholarly, peer-reviewed journals..

Critical Success Factor 1-5: Maintain, acquire, and develop new research tools and methodologies, particularly statistical software to ensure use of appropriate and up-to-date analysis techniques.

Critical Success Factor 6: Review all new or revised CCFS research projects by two division directors and a subject expert to determine the competence, relevance, and priority of the research. Review all research projects mid-year and present a progress report at an OCD meeting.

OBJECTIVE C: Manage a portfolio of extramural research consistent with the research goals of the CCFS.

Strategy 1: Direct and oversee research grants related to cost and financing and cost-effectiveness, ensuring that projects are developed, guided, and managed in accordance with DHHS, PHS, and AHCPR/CCFS guidelines, procedures, and regulations.

Strategy 2: Provide technical assistance to project personnel regarding all aspects of study implementation.

Strategy 3: Review extramural research reports and recommend modification and strategies for dissemination.

Critical Success Factor 1-3: Maintain appropriate and meaningful surveillance on all projects.

Critical Success Factor 1-3: Provide timely and comprehensive oral and written responses and resolve technical problems.

Critical Success Factor 1-3: Assist in all aspects of report preparation and ensure that final reports are submitted in timely manner.

Critical Success Factor 1-3: Maintain accurate and up to date files on all aspects of study implementation.

Critical Success Factor 3: Report/maintain listing of publications from extramural research portfolio.

GOAL IV: PUBLIC SERVICE

Serve the public by producing timely public use data files, disseminating descriptive data and research products, and providing expert technical assistance to our customers.

OBJECTIVE A: Timely dissemination of data and research products.

Strategy 1: Develop a *Data Dissemination Plan*, in coordination with the Office of Health Care Information (OHCI), other Centers, and the cross-cut workgroups, to disseminate CCFS data, statistical reports (including chartbooks, findings, and highlights), and research analyses.

Strategy 2: Disseminate public use files (PUFs), updates, findings, highlights, chartbooks, research articles, methods reports, and other CCFS products.

Strategy 3: Produce non-technical, user friendly versions of CCFS data and research in vehicles such as highlights and chartbooks.

Strategy 4: Explore the possibility of "Data Centers" to provide useful early release of the data generated by the Center.

Strategy 5: Develop and maintain an annual *Catalog of CCFS Data Products* for public dissemination.

Critical Success Factor 1-2: Disseminate public use files, data products, and related information using multiple mechanisms, including the World Wide Web, conferences, seminars, peer review journals, conference volumes, book chapters, AHCPR Publications Clearinghouse, and Agency publications.

Critical Success Factor 1-5: Implement the annual CCFS *Data Dissemination Plan* and document the dissemination of CCFS products (e.g., number of findings distributed by AHCPR Publications Clearinghouse, number of WEB site hits, number and quality of articles published, and the use of such research in the media or by public figures or as references in other research) and use the information to modify and improve the annual *Data Dissemination Plan*.

Critical Success Factor 1-5: Disseminate a *Catalog of CCFS Data Products* annually.

Critical Success Factor 4: Establish, as possible, "Data Centers" or other mechanisms to provide useful early release of the data generated by the Center.

OBJECTIVE B: Provide and improve technical assistance and expertise to CCFS data customers and to the research and policy communities.

Strategy 1: Develop strategies that will facilitate timely and responsive technical assistance.

Strategy 2: Respond to inquiries from consumers (e.g. providers, policy makers, health services researchers, insurers, and other Agency Centers).

Strategy 3: Document all technical requests and assistance provided, including long-term, ongoing, and non-routine provision of technical assistance and expertise (i.e. the *Log of Technical Requests*).

Strategy 4: Provide customized data to users when feasible, including the possibility of using specialized software to generate customized tables from MEPS data on a quick turn around basis.

Strategy 5: Serve on internal and external committees, external technical advisory panels, provide peer review, provide testimony, and perform in other capacities.

Strategy 6: Provide PUF training workshops on how to use CCFS data products, including training in merging files and generating unbiased national estimates.

Critical Success Factor 1-5: Conduct yearly reviews of all public inquiries using the *Log of Technical Requests* to assess whether the data needs of the public are satisfied.

Critical Success Factor 1-5: Maintain a bibliography of published research (extramural and intramural) based on CCFS data.

Critical Success Factor 1-5: Encourage staff to lend expertise to the Department and to the external health services research community as members of expert, technical, and review panels and as reviewers for scholarly publications and external colleagues.

OBJECTIVE D: **Perform assigned Agency functions in an efficient and professional manner, including those of the OMB clearance officer, and the AHCPR Data Security and Management Officer, and the Project Officer of the HCFA claims data Interagency Agreement.**

Strategy 1: Keep AHCPR management, staff, contractors, and extramural grantees informed of the most current OMB/DHHS regulations related to data collection regulations and clearances.

Strategy 2: Provide technical assistance to extramural grantees, contractors, and others with OMB clearance procedures.

Critical Success Factor 1: Meet all DHHS/OMB clearance requirements and deadlines.